RENTAL MARKET REPORT

Canada Highlights*

Canada Mortgage and Housing Corporation

Release Date: Fall 2008

National rental vacancy rate decreased to 2.2 per cent in October 2008

The average rental apartment vacancy rate in Canada's 34 major centres[1] decreased to 2.2 per cent in October 2008 from 2.6 per cent in October 2007.

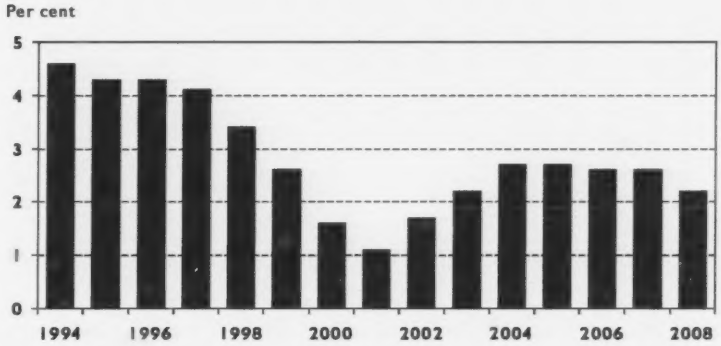
Demand for rental housing in Canada increased due to high migration levels, youth employment growth, and the large gap between the cost of home ownership and renting. Rental construction and competition from the condominium market were not enough to offset growing rental demand.

In October 2008, provincial vacancy rates decreased in most eastern provinces. Vacancy rates recorded a

Continued on page 2...

Figure 1

Canada* Average Vacancy Rate
Apartment Structures of Three or More Units, Privately Initiated



Source: CMHC, Rental Market Survey
*Weighted average of the metropolitan areas surveyed

*Only centres with a population of 10,000 + are included in the survey. Detailed reports are available for CMAs.

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significant decline from last year in Newfoundland and Labrador (down one percentage point to 1.1 per cent), Prince Edward Island (down 1.5 percentage points to 2.6 per cent), and New Brunswick (down 1.7 percentage points to 3.6 per cent). In Nova Scotia, the rental vacancy rate increased to 3.5 per cent. Vacancy rates were moderately lower in Ontario by 0.6 percentage point at 2.7 per cent, and in Quebec by 0.4 percentage point at 2.2 per cent.

Vacancy rates were lowest in Manitoba (0.9 per cent), British Columbia (1.0 per cent), Newfoundland and Labrador (1.1 per cent), and Saskatchewan (1.2 per cent). The strong economies in the western provinces continued to attract workers from the rest of Canada. Many of these newly arrived migrants initially settle in rental housing, keeping rental demand strong. The rental apartment vacancy rate in Alberta rose to 2.5 per cent this year, despite low levels of rental construction and further decline of the rental stock through condominium conversions. CMHC attributes some of the upturn in vacancies to slower net migration into the province and the constraining effect of rent increases in 2007. Competition from the secondary rental market and investor-owned condominium apartments have also contributed to the higher vacancies in the purpose-built rental sector.

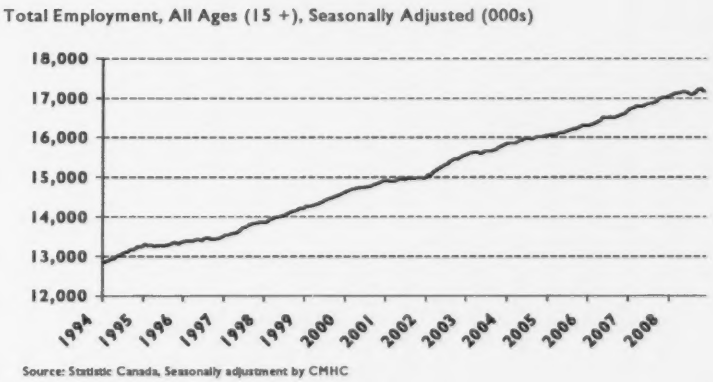
The centres with the highest vacancy rates in 2008 were Windsor (14.6 per cent), St. Catharines-Niagara (4.3 per cent), and Oshawa (4.2 per cent). On the other hand, the major urban centres with the lowest vacancy rates were Kelowna (0.3 per cent), Victoria (0.5 per cent), Vancouver (0.5 per cent), and Regina (0.5 per cent).

The highest average monthly rents for two-bedroom apartments in new and existing structures were in Calgary ($1,148), Vancouver ($1,124), Toronto ($1,095), and Edmonton ($1,034), followed by Ottawa ($995), Kelowna ($967), and Victoria ($965). The lowest average monthly rents for two-bedroom apartments in new and existing structures were in Trois-Rivières ($505), Saguenay ($518), and Sherbrooke ($543).

Year-over-year comparison of rents in new and existing structures can be slightly misleading because rents in newly-built structures tend to be higher than in existing buildings. However, by excluding new structures, we can get a better indication of actual rent increases paid by most tenants. The average rent for two-bedroom apartments in existing structures increased in all major centres. The largest rent increases in existing structures were recorded in Saskatoon (20.3 per cent), Regina (13.5 per cent), Edmonton (9.2 per cent), and Kelowna (8.4 per cent). Overall, the average rent for two-bedroom apartments in existing structures across Canada's 34 major centres increased by 2.9 per cent between October 2007 and October 2008.

Figure 2

High Employment Levels Continued to Support Strong Housing Demand



Source: Statistic Canada, Seasonally adjustment by CMHC

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CMHC's October 2008 Rental Market Survey also covers condominium apartments offered for rent in Calgary, Edmonton, Montréal, Ottawa, Québec, Regina, Saskatoon, Toronto, Vancouver, and Victoria. In 2008, vacancy rates for rental condominium apartments were below one per cent in four of the 10 centres surveyed. Rental condominium vacancy rates were the lowest in Regina, Toronto, Ottawa, and Vancouver. However, Calgary and Edmonton registered the highest vacancy rates for condominium apartments at 3.5 per cent and 4.3 per cent in 2008, respectively.

The survey showed that vacancy rates for rental condominium apartments in 2008 were lower than vacancy rates in the conventional rental market in Ottawa, Regina, Saskatoon, and Toronto. The highest average monthly rents for two-bedroom condominium apartments were in Toronto ($1,625), Vancouver ($1,507), and Calgary ($1,293). All surveyed centres posted average monthly rents for two-bedroom condominium apartments that were higher than average monthly rents for two-bedroom private apartments in the conventional rental market in 2008.

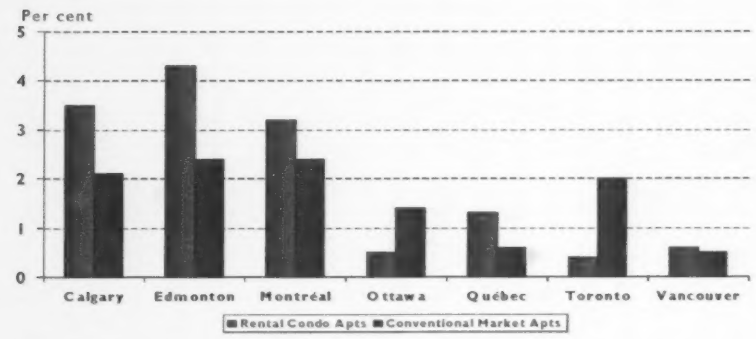
The average monthly rent for a two-bedroom unit in the remaining secondary rental market[2] was lower than the average rent in the conventional rental apartment market in thirteen of the fifteen centres surveyed. In Kelowna and Vancouver, the average monthly rent for a two-bedroom unit in the secondary rental market was higher than in the conventional rental market.

CMHC recently introduced a local rental affordability indicator to gauge how affordable a rental market is for those households which rent within that market. A generally accepted rule of thumb for affordability is that a household should spend less than 30 per cent of its gross income on housing. This new indicator examines a three-year moving average of median income of renter households and compares it to the median rent for a two-bedroom apartment in the centre in which they live. An indicator value of 100 indicates that 30 per cent of the median income of renter households is necessary to rent a two-bedroom apartment going at the median rental rate. In general, as the rental affordability indicator increases, the market becomes more affordable; as the indicator declines, the market becomes less affordable.

Additional details are available in CMHC's local rental market reports. Table 6.0 provides the rental affordability indicators for a number of major centres.

Figure 3

Vacancy rates for Rental Condominium Apartments and Private Apartment Structures of Three Units and Over, 2008



Source: CMHC, Rental Market Survey

[1] Major centres are based on Statistics Canada Census Metropolitan Areas (CMAs) with the exception of the Ottawa-Gatineau CMA which is treated as two centres for Rental Market Survey purposes.

[2] The remaining secondary rental market (excluding condominiums) includes the following types of units:
- rented single-detached houses;
- rented double (semi-detached) houses;
- rented freehold row/town houses;
- rented duplex apartments;
- rented accessory apartments;
- rented apartments which are part of a commercial or other type of structure containing one or two dwelling units.

The remaining secondary rental market (excluding condominiums) was surveyed in the following centres: Abbotsford, Barrie, Calgary, Edmonton, Halifax, Kelowna, Montréal, Ottawa, Québec, St. John's, Toronto, and Vancouver.

1.0 Rental Market Indicators
Privately Initiated Apartment Structures of Three Units and Over
Provinces and Major Centres

Centres	Vacancy Rates (%)		Availability Rates (%)		Average Rent 2 Bedroom ($) (New and existing structures)		Percentage Change of Average Rent Two Bedroom [2][3] From Fixed Sample (Existing structures only)	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08
Newfoundland & Labrador 10,000+	**2.1 a**	**1.1 a**	**2.8 a**	**1.6 a**	**575 a**	**596 a**	**2.6 a**	**3.7 a**
St. John's CMA	2.6 a	0.8 a	3.5 a	1.5 a	614 a	630 a	2.6 a	3.8 a
Prince Edward Island 10,000+	**4.1 a**	**2.6 a**	**5.6 a**	**4.0 a**	**648 a**	**660 a**	**++**	**3.1 d**
Charlottetown CA	4.3 a	2.3 a	6.0 a	4.0 a	659 a	672 a	++	3.3 d
Nova Scotia 10,000+	**3.2 a**	**3.5 a**	**3.7 a**	**4.0 a**	**777 a**	**795 a**	**1.7 b**	**2.0 a**
Halifax CMA	3.1 a	3.4 a	3.6 a	3.9 a	815 a	833 a	1.7 c	2.0 a
New Brunswick 10,000+	**5.3 a**	**3.6 a**	**6.1 a**	**4.0 a**	**619 a**	**635 a**	**2.3 a**	**2.6 a**
Moncton CMA	4.3 b	2.4 a	5.7 a	3.1 b	643 a	656 a	2.0 a	2.2 a
Saint John CMA	5.2 a	3.1 a	6.1 a	3.5 a	570 a	618 a	3.5 c	4.8 b
Québec 10,000+	**2.6 a**	**2.2 a**	**3.2 a**	**2.8 a**	**616 a**	**628 a**	**2.5 a**	**2.1 a**
Ottawa-Gatineau CMA (Que. Part)	2.9 a	1.9 a	3.3 b	2.4 a	662 a	677 a	1.4 a	0.8 d
Montréal CMA	2.9 a	2.4 a	3.6 a	3.1 a	647 a	659 a	2.3 a	2.1 b
Québec CMA	1.2 a	0.6 a	1.7 a	1.2 a	641 a	653 a	2.7 a	2.0 b
Saguenay CMA	2.8 a	1.6 a	3.4 b	2.2 a	490 a	518 a	6.6 c	1.5 d
Sherbrooke CMA	2.4 a	2.8 a	2.6 a	2.9 a	529 a	543 a	3.4 b	2.0 b
Trois-Rivières CMA	1.5 a	1.7 a	2.1 a	2.1 a	487 a	505 a	4.4 b	3.0 b
Ontario 10,000+	**3.3 a**	**2.7 a**	**5.1 a**	**4.3 a**	**924 a**	**948 a**	**1.6 a**	**1.9 a**
Barrie CMA	3.2 b	3.5 a	4.1 b	6.0 a	934 a	954 a	1.3 d	4.7 d
Brantford CMA	2.9 b	2.4 a	4.6 b	2.8 a	749 a	752 a	2.0 c	2.7 b
Greater Sudbury CMA	0.6 a	0.7 a	1.3 a	1.6 a	749 a	800 a	7.7 b	5.6 b
Guelph CMA	1.9 a	2.3 a	3.4 a	4.5 a	848 a	869 a	1.6 a	1.6 a
Hamilton CMA	3.5 a	3.2 a	5.8 a	4.9 a	824 a	836 a	1.2 a	1.5 b
Kingston CMA	3.2 b	1.3 a	4.6 b	2.6 a	856 a	880 a	2.0 c	3.1 b
Kitchener CMA	2.7 a	1.8 a	4.9 a	4.3 a	829 a	845 a	1.6 b	0.9 a
London CMA	3.6 a	3.9 a	5.3 a	6.4 a	816 a	834 a	2.3 a	1.2 a
St. Catharines-Niagara CMA	4.0 a	4.3 a	5.7 a	6.8 a	765 a	777 a	1.8 a	2.1 a
Oshawa CMA	3.7 a	4.2 a	5.5 a	5.7 a	877 a	889 a	1.4 a	1.2 a
Ottawa-Gatineau CMA (Ont. Part)	2.3 a	1.4 a	3.8 a	2.9 a	961 a	995 a	2.0 a	3.7 a
Peterborough CMA	2.8 a	2.4 a	4.7 a	4.3 b	822 a	850 a	2.2 b	2.0 b
Thunder Bay CMA	3.8 b	2.2 a	4.4 a	2.7 a	709 a	719 a	2.2 a	1.3 a
Toronto CMA	3.2 a	2.0 a	5.0 a	3.7 a	1,061 a	1,095 a	1.0 a	1.7 a
Windsor CMA	12.8 a	14.6 a	14.4 a	16.8 a	773 a	772 a	++	++

(Continued)

1.0 Rental Market Indicators
Privately Initiated Apartment Structures of Three Units and Over
Provinces and Major Centres

Centres	Vacancy Rates (%)		Availability Rates (%)		Average Rent 2 Bedroom ($) (New and existing structures)		Percentage Change of Average Rent Two Bedroom [2][3] From Fixed Sample (Existing structures only)	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-06 to Oct-07	Oct-07 to Oct-08
Manitoba 10,000+	**1.5 a**	**0.9 a**	**1.8 a**	**1.4 a**	**721 a**	**748 a**	**3.9 a**	**3.5 a**
Winnipeg CMA	1.5 a	1.0 a	1.8 a	1.4 a	740 a	769 a	4.0 a	3.5 a
Saskatchewan 10,000+	**1.2 a**	**1.2 a**	**2.0 a**	**2.1 a**	**661 a**	**766 a**	**9.1 a**	**15.7 a**
Regina CMA	1.7 a	0.5 a	2.5 a	1.2 a	661 a	756 a	6.2 a	13.5 a
Saskatoon CMA	0.6 a	1.9 a	1.8 a	3.2 a	693 a	841 a	13.5 a	20.3 a
Alberta 10,000+	**1.6 a**	**2.5 a**	**2.6 a**	**3.8 a**	**1,011 a**	**1,077 a**	**17.2 a**	**7.1 a**
Calgary CMA	1.5 a	2.1 a	2.9 a	3.9 a	1,089 a	1,148 a	15.3 a	4.4 b
Edmonton CMA	1.5 a	2.4 a	2.4 a	3.3 a	958 a	1,034 a	18.8 a	9.2 a
British Columbia 10,000+	**1.0 a**	**1.0 a**	**1.7 a**	**1.7 a**	**922 a**	**969 a**	**5.5 a**	**5.3 a**
Abbotsford CMA	2.1 a	2.6 a	3.4 a	3.4 a	752 a	765 a	4.8 c	4.1 c
Kelowna CMA	0.0 b	0.3 a	0.4 a	1.4 a	846 a	967 a	7.0 a	8.4 a
Vancouver CMA	0.7 a	0.5 a	1.4 a	1.1 a	1,084 a	1,124 a	5.5 a	4.6 a
Victoria CMA	0.5 a	0.5 a	1.2 a	1.5 a	907 a	965 a	4.5 a	6.8 a
Canada CMAs (1)	2.6 a	2.2 a	3.7 a	3.2 a	795 a	828 a	3.5 a	2.9 a
Canada 10,000+	2.6 a	2.3 a	3.7 a	3.3 a	772 a	804 a	3.6 a	3.0 a

[1]Major centres refer to Census Metropolitan Areas (CMA), except for Charlottetown.

[2]The Estimate of Percentage Change is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

[3]For October 2007, calculated using October 2006 and October 2007 data, and for October 2008, calculated using October 2007 and October 2008 data.

The following letter codes are used to indicate the reliability of the estimates:
a – Excellent, b – Very good, c – Good, d – Fair (Use with Caution)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/u: No units exist in universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click **Methodology** or **Data Reliability Tables Appendix** links for more details

4.1 Rental Condominium Apartments and Private Apartments in the RMS[1]
Vacancy Rates (%), Average Rents ($) and Percentage of Condominium Apartments in Rental
Oct-08

Centres	Vacancy Rates (%)		Average Rent ($) 2 Bedroom		Percentage of Condo Apts in Rental vs. Ownership
	Rental Condo Apts	Apts in the RMS[1]	Rental Condo Apts	Apts in the RMS[1]	
Calgary CMA	3.5 b	2.1 a	1,293 b	1,148 a	18.0 a
Edmonton CMA	4.3 c	2.4 a	1,099 b	1,034 a	23.3 a
Montréal CMA	3.2 b	2.4 a	1,037 b	659 a	9.4 a
Ottawa-Gatineau CMA (Ont. Part)	0.5 a	1.4 a	1,103 b	995 a	19.1 a
Québec CMA	1.3 a	0.6 a	**	653 a	8.4 a
Regina CMA	0.3 a	0.5 a	n/a	756 a	11.7 a
Saskatoon CMA	1.8 b	1.9 a	n/a	841 a	11.5 a
Toronto CMA	0.4 a	2.0 a	1,625 b	1,095 a	19.1 a
Vancouver CMA	0.6 a	0.5 a	1,507 c	1,124 a	22.1 a
Victoria CMA	2.0 b	0.5 a	1,096 b	965 a	16.9 a

1 Apartments surveyed in the Rental Market Survey (RMS) include only those in purpose built rental buildings with at least 3 rental units.

4.2 Rental Condominium Apartments
Vacancy Rates (%), Average Rents ($) and Percentage of Condominium Apartments in Rental

Centres	Vacancy Rates (%)		Average 2 Bedroom Rent ($)		Percentage of Condominium Apartments in Rental vs Ownership	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Calgary CMA	0.7 a	3.5 b	1,217 b	1,293 b	21.4 a	18.0 a
Edmonton CMA	1.5 a	4.3 c	1,052 b	1,099 b	24.5 d	23.3 a
Montréal CMA	3.8 a	3.2 b	1,082 c	1,037 b	9.0 a	9.4 a
Ottawa-Gatineau CMA (Ont. Part)	0.5 a	0.5 a	1,119 a	1,103 b	18.8 a	19.1 a
Québec CMA	2.4 a	1.3 a	945 c	**	9.2 a	8.4 a
Regina CMA	n/a	0.3 a	n/a	n/a	n/a	11.7 a
Saskatoon CMA	n/a	1.8 b	n/a	n/a	n/a	11.5 a
Toronto CMA	0.7 a	0.4 a	1,535 a	1,625 b	18.7 a	19.1 a
Vancouver CMA	0.2 a	0.6 a	1,435 b	1,507 c	22.3 a	22.1 a
Victoria CMA	n/a	2.0 b	n/a	1,096 b	n/a	16.9 a

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a – Excellent ($0 \leq cv \leq 2.5$), b – Very good ($2.5 < cv \leq 5$), c – Good ($5 < cv \leq 7.5$)
d – Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data is not statistically reliable
n/a: No units exist in universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix links for more details

5.1 Other Secondary Rented Unit[1] Average Rents ($) by Dwelling Type

	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08	Oct-07	Oct-08
Abbotsford CMA	n/s	n/s	612 c	656 d	736 b	722 b	1,005 a	1,113 a	840 a	910 b
Barrie CMA	n/s	**	726 b	803 d	879 b	942 b	1,088 a	1,144 a	981 a	1,041 a
Calgary CMA	n/s	n/s	**	674 d	880 b	1,014 b	1,167 b	1,244 a	1,045 b	1,125 a
Edmonton CMA	**	n/s	**	707 c	819 b	936 b	996 a	1,204 b	925 b	1,078 b
Halifax CMA	**	**	516 b	570 b	728 b	771 c	847 b	897 b	731 b	792 b
Kelowna CMA	**	n/s	681 d	847 c	925 b	976 c	1,099 a	1,270 b	962 a	1,092 b
Montréal CMA	**	**	488 b	477 b	602 a	654 a	758 a	845 b	601 a	665 a
Ottawa-Gatineau CMA (Ont. Part)	n/s	**	684 c	**	872 b	943 b	1,063 a	1,062 a	957 a	1,009 b
Québec CMA	**	**	486 c	491 b	563 b	597 a	657 b	735 b	559 a	581 a
Regina CMA	n/a	n/s	n/a	**	n/a	661 b	n/a	859 c	n/a	764 b
St. John's CMA	**	**	458 b	460 b	556 a	568 b	732 a	737 b	592 a	618 a
Saskatoon CMA	n/a	n/s	n/a	**	n/a	736 b	n/a	958 a	n/a	888 b
Toronto CMA	n/s	**	774 b	**	1,023 b	1,083 b	1,200 b	1,330 b	1,021 b	1,109 b
Vancouver CMA	**	**	715 c	796 d	928 b	979 b	1,207 b	1,340 b	984 a	1,069 b
Victoria CMA	n/a	**	n/a	792 b	n/a	1,004 b	n/a	1,186 b	n/a	1,029 a

1 Statistics for secondary rented units exclude apartments in purpose built rental structures with three rental units or more, condominium apartments, units in institutions, and any dwelling whose type could not be identified in the survey.

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):

a – Excellent ($0 \leq cv \leq 2.5$), b – Very good ($2.5 < cv \leq 5$), c – Good ($5 < cv \leq 7.5$)

d – Fair (Use with Caution) ($7.5 < cv \leq 10$)

** Data suppressed to protect confidentiality or data is not statistically reliable

n/u: No units exist in universe for this category **n/s:** No units exist in the sample for this category **n/a:** Not applicable

Please click Methodology or Data Reliability Tables Appendix links for more details

6.0 Rental Affordability Indicator

Centres	2007E*	2008E*
Calgary CMA	101	103
Edmonton CMA	116	116
Halifax CMA	113	115
Hamilton CMA	113	115
Kitchener CMA	101	108
London CMA	117	119
Montréal CMA	133	135
Oshawa CMA	106	108
Ottawa-Gatineau CMA (Ont. Part)	97	98
Ottawa-Gatineau CMA (Que. Part)	118	122
Québec CMA	126	135
Regina CMA	103	93
Saguenay CMA	128	121
Saint John CMA	139	126
Saskatoon CMA	110	92
Sherbrooke CMA	133	128
St. Catharines-Niagara CMA	104	102
St. John's CMA	90	83
Sudbury CMA	87	74
Thunder Bay CMA	96	88
Toronto CMA	91	90
Vancouver CMA	97	95
Victoria CMA	96	92
Windsor CMA	86	93
Winnipeg CMA	103	105

* Estimate

METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in April and October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only privately initiated structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent, available and vacant unit data from sampled structures. Most RMS data contained in this publication refer to privately initiated apartment structures.

The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of April/October, and the results reflect market conditions at that time.

CMHC's Rental Market Survey provides a snapshot of vacancy and availability rates, and average rents in both new and existing structures. In October 2006, CMHC has introduced a new measure for the change in rent that is calculated based on existing structures only. This estimate is based on structures that were common to the survey sample the previous year and the current year of the Rental Market Survey. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of per cent change in rent is available in the Rental Market Report – Canada Highlights , Provincial Highlights, and the local Rental Market Reports. The rent levels in new and existing structures are also published. While the per cent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

METHODOLOGY FOR SECONDARY RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts a survey of the **Secondary Rental Market** (SRMS) in September and October to estimate the relative strengths in the secondary rental market which is defined as those dwellings not covered by the regular RMS. CMHC has identified the following dwelling components to be included in SRMS:

- Rented single-detached houses.
- Rented double (semi-detached) houses (i.e.. Two units of approximate equal size and under one roof that are situated either side-by-side or front-to-back).
- Rented freehold row/town homes.
- Rented duplex apartments (i.e.. one-above-other).
- Rented accessory apartments (separate dwelling units that are located within the structure of another dwelling type).
- Rented condominiums (can be any dwelling type but are primarily apartments).
- One or two apartments which are part of a commercial or other type of structure.

The SRMS has three components which are conducted in selected CMAs:

- A Household Rent Survey of all households to collect information about rents.
- A Condominium Apartment Rent Survey of households living in condominium apartments to collect information about rents.
- A Condominium Apartment Vacancy Survey of condominium apartment owners to collect vacancy information.

All three surveys are conducted by telephone interviews. For the condominium apartment vacancy survey, information is obtained from the owner, manager, or building superintendent and can be supplemented by site visits if no telephone contact is made. For the other two surveys, information is collected from an adult living in the household. All surveys are conducted in September and October, and the results reflect market conditions at that time.

CMHC publishes the number of units rented and vacancy rates for the condominium vacancy survey. For the condominium rent and household rent surveys, the average rent is published. A letter code representing the statistical reliability (i.e., the coefficient of variation (CV)) for each estimate is provided to indicate the data reliability. In 2008, rented condominium apartments were surveyed in the following CMAs: Vancouver, Victoria, Calgary, Edmonton, Regina, Saskatoon, Toronto, Ottawa, Montréal and Québec (NOTE: condo rent data was not collected for Regina and Saskatoon). Other secondary rental market units were surveyed in Abbotsford, Barrie, Calgary, Edmonton, Halifax, Montreal, Ottawa, Quebec, St. John's, Toronto, Regina, Saskatoon, Kelowna, Vancouver and Victoria.

DEFINITIONS

Availability: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

Rent: The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

Rental Apartment Structure: Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

Rental Row (Townhouse) Structure: Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

Vacancy: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

All data presented in this publication is based on Statistics Canada's 2001 and 2006 Census area definitions.

Acknowledgement

The Rental Market Survey and the Secondary Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers, building superintendents and household members throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

Rental Affordability Indicator

Canada Mortgage and Housing Corporation has developed a new rental affordability indicator to gauge how affordable a rental market is for those households which rent within that market. The level of income required for a household to rent a median priced two-bedroom apartment, using 30 per cent of its income, is calculated. The three-year moving average of median income of households in a centre is then divided by this required income. The resulting number is then multiplied by 100 to form the indicator. A value above 100 indicates that less than 30 per cent of the median income is required to rent a two-bedroom apartment, conversely, a value below 100 indicates that more than 30 per cent of the median income is required to rent the same unit. In general, as the indicator increases, the market becomes more affordable; as the indicator declines, the market becomes less affordable.

Median renter household income estimates used in the calculation of the rental affordability indicator are based on results of Statistics Canada's Survey of Labour and Income Dynamics. Results for this survey are available from 1994 to 2005. CMHC has developed forecasts of median renter household income for 2006, 2007 and 2008.

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